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SUBJECT: BOUTEFLIKA TELLS A/S WELCH KHARTOUM SUMMIT AND HAMAS SHOULD MOVE FROM "NO, NO, NO" TO "YES, YES, YES" ON PEACE

Classified By: Ambassador Richard W. Erdman, Reason 1.4 (b) (d)

SUMMARY

- (C) During a two-hour meeting March 14 with President Bouteflika, NEA Assistant Secretary Welch raised Hamas, noting that the international community had made clear to Hamas what it needed to do. Arab support for that message, including at the upcoming Khartoum Arab summit, would be critical. Welch predicted that it would be difficult for Hamas to change, and stressed that the Arabs should help us put maximum pressure on Hamas while protecting the Palestinian people. Bouteflika said that Fatah was Algeria's historic Palestinian partner, Algeria was not enthusiastic about radical Islamist parties. He therefore had put off responding to a request by Hamas' leadership to visit Algiers, though he was mulling the need for Arabs to send Hamas a message. Yet Algeria supported democracy in the Arab world, and respected the Palestinian people's choice. Israel, Bouteflika insisted, had contributed to Hamas' electoral victory by acting unilaterally, thereby undermining Fatah, but Fatah was also to blame for its "management scandals." Bouteflika said "radical parties" were better off in the opposition. If Hamas wanted to be the governing party, it would have to change its positions and accept the 2002 Beirut Arab peace plan. Recalling the historical development of Arab policies, Bouteflika commented that he had been part of the Arab generation that called for pushing Israel into the sea in the 1960s, but the results had been a disaster. Realpolitik demanded a two-state solution, and the upcoming Khartoum summit would be an opportunity to underscore the Arab world's consensus on the need for peace. In response to A/S Welch's comment that he hoped this month's Khartoum summit would not repeat the "three no's" (no peace, no recognition, no negotiations) of the infamous 1967 Khartoum summit, Bouteflika recalled that he had represented Algeria at Khartoum in 1967, pithily noting the 2006 summit would hopefully move from "no, no, no" to "yes, yes, yes" on peace with Israel.
- 12. (C) Turning to assistance, A/S Welch said the U.S. will support the Palestinian people but without supporting Hamas, and would like Algeria to do the same. Second, we would maintain a distinction between Hamas and Abu Mazen, whom we would continue to back. Bouteflika said if Algeria had to choose, it would also support Abu Mazen, though he did not commit to cutting off assistance to a Hamas-headed PA. Commenting on the request to visit Algiers by Hamas' leadership, A/S Welch observed that he was not sure exactly what Hamas represented. Hamas leader Khalid Mishal had not been elected to anything, and may be more focused on Islamist goals than Palestinian interests. Bouteflika cautioned that we should not say this publicly since it was important to downplay religious conflicts in the aftermath of the Danish cartoon controversy. Otherwise the U.S. risked giving

Al-Qaida more recruits. A/S Welch said he took the point, adding that he expected Bouteflika would find it more difficult to get Hamas to say yes than to get Washington to say yes. Bouteflika concluded that religion can be dynamite and must be treated extremely carefully. End Summary.

SENDING HAMAS A MESSAGE

- 13. (C) Visiting NEA Assistant Secretary C. David Welch, accompanied by Ambassador and DCM, called on President Bouteflika March 14 at the El Mouradia Palace (discussion of Sudan, Iran, Iraq, Syria/Lebanon, and the Western Sahara reported septel). A/S Welch began by noting Russian President Putin's March 10 visit to Algiers, and said he assumed Bouteflika and Putin had discussed the visit of a Hamas delegation to Moscow. Recalling that the PLO had first declared its willingness to accept Israel's existence at the 1988 Palestinian National Council meeting in Algiers, Welch commented that in some ways we were now facing a similar moment. The international community had made clear to Hamas that it must recognize Israel, end violence, and accept the Palestinians' past agreements. This was not just rhetoric: if Hamas said yes, it would change the situation totally. But since it would not be easy for Hamas to say yes, this would likely take some time. Until then, it was essential for the international community, including the Arabs, to maintain maximum pressure on Hamas while protecting the Palestinian people. A/S Welch said his meeting with Bouteflika was timely since he knew the issue would feature prominently at the Khartoum Arab summit later this month.
- ¶4. (C) Bouteflika responded that Fatah was Algeria's historic partner. Algeria was "not enthusiastic" about radical Islamist parties and was "not eager" to have

relations with Hamas. He said a delegation of Hamas leaders had requested to visit Algiers, but he was taking his time in responding. That said, since Hamas had visited Muscat and Riyadh, it was harder to say no to a visit to Algiers. Despite its reservations about Hamas, Algeria supported democratic elections in the Arab world and respected the choice of the Palestinian people. Since Algeria based its relations with other states on the principle of non-interference in their internal affairs, it would continue to provide assistance to the Palestinian Authority.

WOULD PREFER HAMAS IN OPPOSITION

- 15. (C) Bouteflika asked rhetorically why the Palestinians had chosen Hamas. Israel, he said, had been too slow in resolving the problem, and Israel's unilateral policies had undermined Fatah. Israel's withdrawal from Gaza could have been done in a way that left the impression of coordination with Fatah, but instead it had destroyed Fatah's mystique and exacerbated discontent over Fatah's "management scandals." Palestinians had indeed voted to punish Fatah, but they had also voted for Hamas in order to send a signal to the international community that they were not "on their knees" and were ready to continue to fight to end the occupation.
- 16. (C) Bouteflika said he would have preferred for Hamas to remain in opposition to Fatah, where they could do or say as they wished. There were two ways to handle Hamas: either ignore them, which would not be good for the Palestinians, or talk to them and tell them that if they wanted to maintain a radical stance, they must be in the opposition. If, however, they wanted to be in power, they would have to play by the rules of the international system, or find themselves isolated.

FROM THREE NO'S OF KHARTOUM TO THREE YESES

17. (C) Bouteflika said he wanted to review some history. Algeria had never established any relations with Israel,

although Bouteflika had shaken Ehud Barak's hand at the funeral of Hassan II. But Algeria considered its recognition of a Palestinian state in 1988 as conveying de facto recognition of Israel as well. Reflecting on his own political evolution, Bouteflika admitted that he belonged to the generation of Arab leaders who had called for pushing Israel into the sea in the 1960s. "We know what came of that," he commented. "It was a disaster." Today, realpolitik required the existence of two states, and "thanks to the U.S.," a Palestinian state was now a genuine possibility. If Hamas wanted Algeria's assistance, it would "have to help us help them." Although Fatah was Algeria's historical ally, it had made too many mistakes. This was not Abu Mazen's fault, however, and Bouteflika said he would tell Hamas at the Khartoum summit that Abu Mazen was still the Palestinian president. Not only Putin should send a message to Hamas, they should hear it from Arab leaders as well. Bouteflika reiterated that he did not like Hamas, but had to respect the Palestinians' democratic choice. Referring to his national reconciliation charter in Algeria, Bouteflika said his approach was to bring in the moderate Islamists while keeping the extremists away.

18. (C) A/S Welch agreed with Bouteflika's description of the political situation, adding Bouteflika would likely find it easier to bring America to say "yes" than to get Hamas to do so. Recalling the process of convincing the PLO to accept Israel's existence, Welch predicted that it will be even more difficult for Hamas to change. A/S Welch said he hoped the March 28-29 Khartoum summit would not produce more no's. Bouteflika recalled that as Foreign Minister, he had represented Algeria at the infamous 1967 Khartoum summit that produced the Arabs' three no's (no peace, no recognition, no negotiations). Now, however, the Arabs will say "yes, yes, yes" by reiterating their support for the 2002 Beirut Arab summit peace plan, which the Arabs had reaffirmed at the 2004 Tunis summit and the 2005 Algiers summit. Bouteflika assured A/S Welch that he would do his utmost at Khartoum to see that the Arabs reaffirmed their support for peace through negotiations. Hamas must not be allowed to introduce any new element into the Middle East equation.

SUPPORT PALESTINIANS, ABU MAZEN

19. (C) A/S Welch said the U.S. believed we must support the Palestinian people. We would not punish them for their democratic choice. We would do this without supporting Hamas, however, and wanted Algeria to do the same. Welch added that he also expected the U.S. would continue its

relationship with Abu Mazen. It was essential to maintain the distinction between Abu Mazen and Hamas. Bouteflika said if Algeria had to choose, it would choose Abu Mazen.

- 110. (C) A/S Welch noted that he still was not sure what Hamas represented. If Khalid Mishal, who had not been elected to anything, led a delegation to Algeria, Bouteflika might find him more interested in Islamist goals than Palestinian ones. Bouteflika advised Welch to downplay religious conflict, commenting that in the aftermath of the Danish cartoons, it was important not to exacerbate Muslim sensitivities. Doing so would only provide Al Qaida with more recruits. Bouteflika concluded that "religion can be dynamite," and must be handled extremely carefully.
- $\underline{\mathbb{I}}11$. (U) A/S Welch has cleared this message. ERDMAN